

MEMORANDUM

DECLASSIFIED in Part
PA/HO, Department of State
E.O. 12958, as amended
Date: 6-21-06

THE WHITE HOUSE
WASHINGTON

INFORMATION

~~SECRET SENSITIVE~~

MEMORANDUM FOR DR. KISSINGER

FROM: Harold H. Saunders *SH (for)*

SUBJECT: Memo from Mr. Helms on Iran

*Make sure this
is followed
JK
via
Rieg*

Dick Helms has sent you the attached memo [REDACTED]

SLY 2 1970

Essentially Ambassador MacArthur has [REDACTED] convey his concern that certain bureaucratic turnings in Washington might undercut what the Shah believes is a commitment by the President to provide a substantial number of F4 and C130 aircraft. Mr. Helms writes out of his concern for the continuation of our unique intelligence collection facilities in Iran [REDACTED]. The bureaucratic state of play is that the Defense Department has asked the intelligence community to do a SNIE on the military threat to Iran. This is somewhat like the Arab-Israeli situation in that the visible threat is probably not great enough to justify as much hardware as the Shah wants. However, the Shah is building not just a military establishment suited to the threat, but a deterrent as well.

An effort is already being made to broaden the framework of the SNIE so that it will not turn out to be so limited as to make it more difficult for us to operate from a broader view of the situation. However, the SNIE by itself obviously will not make policies. The decision on the number of planes to be sold will be made over the next couple of months, and we will have a crack at it in the normal bureaucratic machinery. Essentially, this decision will be made with the President's general commitment in mind, although not perhaps without some argument.

In passing on the attached memo, therefore, I simply want to reassure you that I am on top of this problem and will continue to work -- along with Joe Sisco -- to make sure that the President's general promise is not undercut.

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The broader problem with Iran, of course, is that as long as the military credit program is held up we will not have the assistance of Iran that will permit it to proceed with financial confidence.

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CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D. C. 20505

OFFICE OF THE DIRECTOR

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E.O. 12958, as amended
Date: 6-21-00

18 AUG 1970

MEMORANDUM FOR: The Honorable Henry A. Kissinger
Assistant to the President for
National Security Affairs

SUBJECT: Aircraft Sales to Iran

Ambassador MacArthur has [REDACTED] a matter with which the Ambassador is greatly concerned. While this may seem a somewhat unusual channel, the Ambassador wished to [REDACTED] to ensure that I became fully aware of the background of his thinking on a developing situation which could seriously affect our very considerable intelligence interests in Iran.

The Ambassador is certain that the Shah believes he has a firm commitment from the President to permit the Shah to purchase some 73 F-4 aircraft and about 30 C-130 aircraft in addition to the number of these aircraft already on hand or on order for the Iranian Air Force. The Shah also discussed the need for this larger amount of aircraft with the Secretaries of State and Defense, neither of whom expressed any reservations.

At the present time the Department of Defense is re-evaluating Iran's defense needs, and joint State-Defense cables to Embassy Teheran put in question the validity of the Shah's judgement as to his aircraft requirements.

There can understandably be any number of estimates and opinions as to how many of what kind of aircraft Iran requires -- depending among other things upon the view taken of the importance of U.S. interests in the Persian Gulf and of the role Iran can reasonably

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be expected to play in helping to preserve them. Whatever these opinions may be, however, the Ambassador believes that the determining factor is the Shah's conviction that he has in fact a commitment from the President, and his belief that to seem to renege would raise serious doubts in the Shah's mind as to the wisdom of continuing to regard the U.S. as a reliable partner in the effort to achieve and maintain stability in the Gulf area.

Our intelligence collection facilities in Iran [REDACTED] are unique, and their presence rests very directly on the Shah's support. Any action which would undermine the Shah's confidence in the consistency of U.S. policy would inevitably have an erosive effect on this vital intelligence relationship. For this reason, as well as the total U.S. concern over the Persian Gulf area, I suggest we reconsider the need at this time for a major re-evaluation of Iran's defense needs, particularly as this re-evaluation process is certain to become a substantive, and adverse, factor in Iranian-U.S. relations.



Richard Helms
Director